(d) whether the price of milk is beyond the reach of most of the people, particularly poor and below poverty line segments;

(e) if so, Government's response thereto and whether Government has any proposal for setting up innovative dairy projects;

(f) if so, the details thereof; and

(g) the steps being taken by Government for modernization of dairy units in the country?

THE MINISTER OF STATE IN THE MINISTRYOFAGRICULTURE (SHRI TASUMUDDIN): (a) The production of milk and milk products at National level is by and large sufficient to meet the domestic demand. Since major quantity of milk is handled in unorganized sector, no authentic data on production of milk products in the country is available. State-wise estimates of milk production in last three years are enclosed as Statement-I *(See* below).

(b) and (c) Price of milk has increased in last few years mainly due to increase in the costs of production, procurement, processing and marketing. A list of average prices of milk in various cities in the country is enclosed as Statement-II *(See* below).

(d) to (0 The Government does not have any report of any difficulty faced by poor and below poverty line segments in regard to milk prices. However, Government is regularly monitoring the availability of milk and milk products to ensure availability at reasonable price in the country and takes necessary action as and when situation demands. Further, the Government is implementing various dairy development schemes, including those which provide scope for innovative dairy projects to enhance milk production.

(g) The Government of India supplements efforts of the State Governments to modernize dairy units in the country thorugh the following schemes:

(i) National Project for Cattle and Buffalo Breeding.

(ii) Strengthening Infrastructure for Quality and Clean Milk Production.

(iii) Intensive Dairy Development Programme.

(iv) Assistance to Cooperatives.

(v) Dairy/Poultry Venture Capital Fund.

(vi) Rastriya Krishi Vikas Yojana.

Statement-1

Estimate of milk production 2004-05 *to* 2006-07

(000 tonnes)

SI. No.	Name of the State/UTs	2004-05	2005-06	200607
1	2	3	4	5
1.	Andhra Pradesh	7257	7624	7939
2	Arunachal Pradesh	48	48	49
3.	Assam	739	747	751
4.	Bihar	4743	5060	5450
5.	Chhattisgarh	831	839	849

1	2	3	4	5
6.	Goa	57	56	57
7.	Gujarat	6745	6960	7533
8.	Haryana	5222	5299	5367
9.	Himachal Pradesh	870	869	872
10.	Jammu and Kashmir	1422	1400	1400
11.	Jharkhand	1330	1335	1401
12.	Karnataka	3917	4022	4124
13.	Kerala	2025	2063	2119
14.	Madhya Pradesh	5506	6283	6375
15.	Maharashtra	6567	6769	6978
16.	Manipur	75	77	77
17.	Meghalaya	71	73	75
18.	Mizoram	16	15	16
19.	Nagaland#	69	74	67
20.	Orissa	1283	1342	1431
21.	Punjab	8554	8909	9168
22.	Rajasthan	8310	8713	9375
23.	Sikkin	46	48	49
24.	Tamil Nadu	4784	5474	5560
25.	Tripura	86	87	89
26.	Uttar Pradesh	1651?	17356	18095
27.	Uttarakhand	1195	1206	1213
28.	West Bengal	3790	3891	3982
29.	A and N Islands	24	20	23
30.	Chandigarh	43	46	46
31.	D and N Haveli#	4	5	5
32.	Daman & Diu #	1	1	1
33.	Delhi	303	310	289
34.	Lakshadweep	l	2	2
35.	Puducherry	41	43	45
	TOTAL:	92487	97066	100872

Statement-II

Yearly Centre-wise Average for Retail Prices Commodity -Milk (Rs. per litre)

Centre	2007	2 Delhi 08 (upto Feb.)
18 76		20.00
Lucknow	21.88	22.02
Shimla	16.00	16.00
Ahmedabad	20.01	20.19
Bhopal	1928	20.00
Jaipur	13.64	14.00
Mumbai	1834	20.00
Aizwal	28.00	28.00
Bhubaneshwar	1726	18.00
Guwahati	18.89	20.00
Kolkata	27.80	29.98
Patna	1534	16.00
Shilong	30.73	31.00
Bangalore	14.35	16.00
Chennai	1525	15.50
Hyderabad	17.79	18.00
Thiruvananthapuram	16.70 ALL	1733
INDIA LAVERAGE: 19.41		20.10

Part (d) price of milk sold in loose are cheaper than packaged milk.

Land taken on lease from land owners 785. SHRI MOINUL HASSAN: Will the Minister of

AGRICULTURE be pleased to state:

(a) whether Government is aware that many industrial and business houses have taken possession of a vast land on lease from land owners and allowing the farmers to cultivate and produce grains that are being purchased by the lease land holders; and

(b) if so, whether this is not endangering the entire food security of our country?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTI LAL BHURIA): (a) The Central Government has requested State Governments by circulating a Model Agricultural Produce Marketing (Regulation) Act and the Model Rules thereunder, for making provisions to facilitate contract fanning which envisages cultivation of specified crops by the farmers under an agreement for a sponsoring agency so that the produce could be sold to the sponsoring agency at a pre-decided price. Under this arrangement, the Central Government is not recommending the leasing of the land of the farmers to the industrial and business houses. Government is not maintaining any information regarding leasing of land by the farmers to the industrial and business houses for cultivation purposes.

(b) The contract farming arrangements are quite helpful to the farmers in securing better remuneration for their produce, as such arrangements cover the price risk and also the production risk to a great extent. Contract Farming has the potential of combining farmers' efficiency with economy of scale, utilizing corporate management skills, providing assured markets and reducing transaction costs in the value chain by ensuring vertical integration. Such tie-ups have special significance for small and marginal farmers, who have small marketed surplus and do not have staying power. They may not individually be capable of investing in technology, but through self help groups or cooperatives, there could emerge a desirable institutional framework, through which farmers can suitably reap the benefits of contract farming arrangements. Contract farming arrangements are prevalent for the cultivation of foodgrains crops also and as such, it is not endangering the entire food security of our country.

World Development Report, 2008

786. SHRI RAMDAS AGARWAL: Will the Minister of AGRICULTURE be pleased to state:

(a) whether the failure of agriculture sector in the country has led to the dependence of the country on imports for its food security;

(b) whether the World Development Report, 2008 has also suggested that the development of agro-sector of the country is necessary for alleviating poverty from the country;

(c) if so, whether Government has taken any decision for providing easy credit facility, irrigation and post harvest management of crops to farmers;

(d) whether discussions have been held with the States in this regard; and

(e) if so, the reaction of the State Governments thereto?

THE MINISTER OF STATE IN THE MINISTRY OF AGRICULTURE (SHRI KANTILAL BHURIA): (a) Total output of foodgrains during 2006-07 was a record 217.28 million MTs. There has also been an increase in the production of non-foodgrains crops including horticulture. The decision to import foodgrains from time to time is taken after taking into account the requirement of the foodgrains in the buffer stock necessary for Public Distribution System, welfare schemes run by Government, natural calamities and for food security.

(b) and (c) According to World Development Report, 2008 (World Bank), persistent concentration of poverty in rural areas in the transforming developing countries can be addressed by increasing agricultural productivity and generating rural non-farm employment. To sustain and revitalize agriculture sector, Government of India have taken several steps to increase production and productivity of major food crops. These steps, *inter-alia,* include launching of two new schemes namely, National Food Security Mission to improve production and productivity of foodgrains and Rashtriya Krishi Vikas Yojana; credit policy to increase flow of institutional credit to agriculture sector and provision of crop loan upto Rs. 3.00 lakhs to farmers at reduced interest of 7% per annum. Besides, a number of initiatives plan schemes and programmes, inclduing initiatives announced in the Budget 2008-09 have been taken/ initiated for development of agriculture sector.

(d) and (e) Meetings and discussions with State Governments are held by the Ministry of Agriculture from time to time to obtain their feedback and suggestions as and when required.